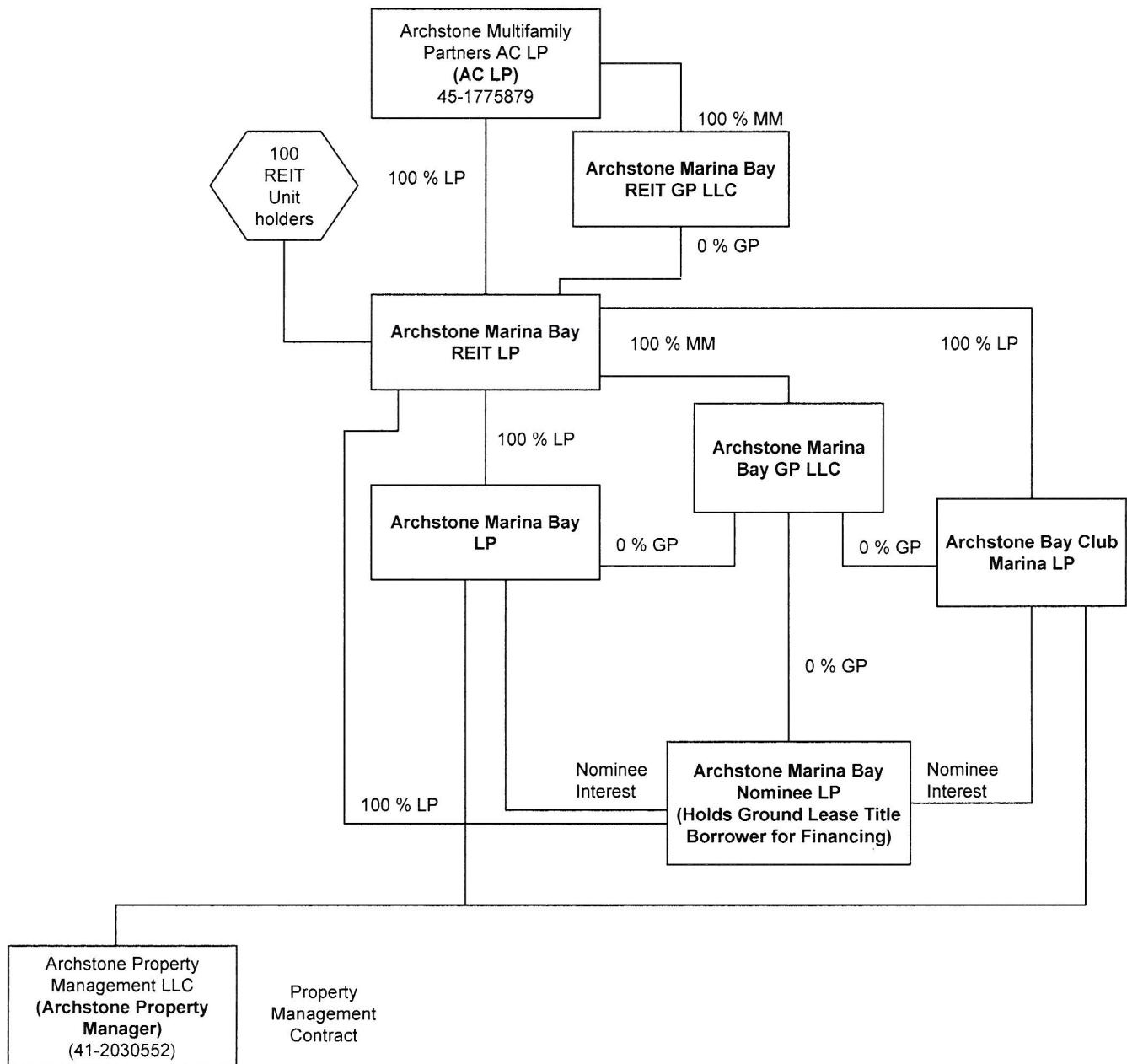


FUND I Structure: Marina Del Rey Bay Club



Because there is a real estate investment trust (“REIT”) in buyer’s structure (Archstone Marina Bay REIT LP), the income from the apartment building and the marina need to be separate. The purchaser of the property will be Archstone Marina Bay Nominee LP (“Buyer”). Buyer will be the record owner of title to the leasehold interest in the property and will be the tenant under the ground lease with the County. Buyer will own the leasehold interest in the property as nominee for Archstone Marina Bay LP and Archstone Bay Club Marina LP. Archstone Marina Bay REIT LP will own 100% of the economic interest in Buyer, Archstone Marina Bay LP and Archstone Bay Club Marina LP. Buyer will own the apartment property as nominee for Archstone Marina Bay LP and will own the marina property (the marina property would be the floating docks) as nominee for Archstone Bay Club Marina LP. The ground lease will describe this nominee arrangement. Buyer will enter into a Nominee Agreement with Archstone Marina Bay LP and Archstone Bay Club Marina LP governing the terms of the nominee arrangement and allocating certain costs between them (for example, maintenance costs relating to the headwall and the caissons supporting the floating docks would be allocated to Archstone Bay Club Marina LP). As indicated in the attached re-draft of the Amended Ground Lease, each of Buyer, Archstone Marina Bay LP and Archstone Bay Club Marina LP will be jointly and severally liable for the tenant’s obligations under the Amended Ground Lease.